

Senator Kay Bailey Hutchison
Commerce Committee Hearing on trade with China
April 11, 2000

Thank you Mr. Chairman. And thank you for calling this hearing on perhaps the most significant trade issue facing the United States today.

I will come right to the point. I support trade with China and I support the establishment of permanent normal trade relations with the most populous nation on earth. I do not do so because I believe it will make China more democratic, although I hope and expect that will be the case. I am for permanent normal trade relations with China because it is good for the United States. It will make us more competitive, keep prices lower for American consumers, and keep our job-creation engine running at high speed.

It is true that our current relationship with China is flawed, and it is also true that PNTR is not a panacea for this relationship. China, the U.S., and the international community have years of work ahead before we can achieve real trust and cooperation among these nations. I cannot, and will not try, to defend China's domestic human rights record.

However, that does not mean we should give up now. Surrendering at this time would sever any hope of engaging China in a real dialogue. How are human rights and U.S. security issues served by restricting trade with China? Such a move may allow us to feel morally superior in the short run, but I believe it would also galvanize the Chinese nation as an adversary of the U.S.

For those who see trade as a weapon in the battle for freedom: Democracy tends to follow capitalism, and there is no question that capitalism is on the rise. An authoritarian government cannot stand forever in the face of people yearning for freedom. This has been true on both ends of the political spectrum: East Germany and the rest of the Soviet bloc on the left, South Korea, Taiwan, Chile, and the Philippines on the right. Free enterprise and investment tends to erode the strength of one party dictatorships such as we have in China today.

Finally, the question of Taiwan. The extension of permanent normal trade relations with China has almost nothing to do with our commitment to Taiwan. Taiwan will not be any more secure were we to deny trade with China. Taiwan itself is rapidly becoming one of China's largest trading partners and foreign investors.

We remain committed to defending Taiwan, and I fault the administration for so neglecting our relation with both China and Taiwan that this false dichotomy of trade with China versus security of Taiwan has emerged. When it comes to Taiwan, this administration has allowed doubt to develop about our commitment because it has wavered between ignoring Chinese belligerence and sending in aircraft carriers.

What is needed is a firm, regular commitment to providing the island the defensive support it needs. This can be done without sticking our thumb in China's eye, but it must be done, and our leadership in Asia depends upon it.

Thank you again, Mr. Chairman for calling this hearing, and for your willingness to discuss this critical trade issue. If we fail to take on the Chinese problem, we cannot possibly hope to solve it.